

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

PERIODIC REPORTING
(PROPOSALS SIX THROUGH NINE)

Docket No. RM2014-1

NOTICE OF THE UNITED STATES POSTAL SERVICE OF REVISION
TO ADD PROPOSAL NINE TO THE PETITION FOR RULEMAKING -- ERRATA

On November 8, 2013, pursuant to 39 C.F.R. § 3050.11, the Postal Service requested that the Commission initiate a rulemaking proceeding to consider three proposals (Six through Eight) to change analytical principles relating to the Postal Service's periodic reports. The Postal Service hereby gives notice of a revision to the Petition to add a fourth proposal, labeled as Proposal Nine. Proposal Nine is discussed in the attached text. Also attached is a revised Petition. The other proposals are unaffected.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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November 12, 2013

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

PERIODIC REPORTING
(PROPOSALS SIX THROUGH NINE)

Docket No. RM2014-1

PETITION OF THE UNITED STATES POSTAL SERVICE FOR THE
INITIATION OF A PROCEEDING TO CONSIDER PROPOSED CHANGES
IN ANALYTICAL PRINCIPLES (PROPOSALS SIX THROUGH NINE)

Pursuant to 39 C.F.R. § 3050.11, the Postal Service requests that the Commission initiate a rulemaking proceeding to consider four proposals to change analytical principles relating to the Postal Service's periodic reports. The proposals, labeled Proposals Six through Nine, are discussed in the attached text.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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REVISED: November 12, 2013

PROPOSAL NINE

Changes in In-Office Cost System (IOCS) Encirclement Rules

Proposal:

In the In-Office Cost System (IOCS), encirclement is the process of assigning the cost of handling a mailpiece with an Extra Service to the Extra Service rather than to the host mailpiece. Encirclement is warranted when an Extra Service is the primary reason that an employee has to handle a mailpiece. The Postal Service proposes to update the encirclement rules for Delivery Confirmation to reflect changes in products.

Specifically, we propose to stop encircling costs at acceptance to Delivery Confirmation for the following products for IOCS tallies after January 27, 2013:

- Priority Mail (retail)
- Standard Post (retail)
- Parcel Select Lightweight
- First-Class Package Service

Rationale:

Beginning January 27, 2013, the above products began to include Tracking (Delivery Confirmation) as a free service. Therefore, after this date costs should no longer be encircled to the Delivery Confirmation service, but instead should be assigned to the host product.

Dated: Nov. 12, 2013